

11 - Std

ACHIEVEMENT TEST - 2023 - 2024



Time : 1.30 Hrs

ACCOUNTANCY

Marks : 100

Part A Multiple choice question

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- The root of financial accounting system is
A) social accounting B) stewardship accounting C) management accounting D) responsibility accounting
- Which one of the following is not a main objective of accounting?
A) systematic recording of transactions B) ascertainment of the probability of the business
C) ascertainment of the financial position of the business D) solving tax disputes with tax authorities
- Which one of the following is not a branch of accounting?
A) financial accounting B) management accounting C) human resources accounting D) none of the above
- Financial position of a business is ascertained on the basis of
A) journal B) trial balance C) balance sheet D) ledger
- Who is considered to be the internal user of the financial information?
A) creditor B) employee C) customer D) government
- The business is liable to the proprietor of the business in respect of capital introduced by the person according to
A) Money Measurement Concept B) cost concept C) business entity concept D) dual aspect concept
- The concept which are used that a business will last indefinitely is
A) business entity B) Going Concern C) periodicity D) conservation
- GAAPs are:
A) Generally Accepted Accounting policies B) Generally Accepted Accounting Principles
C) Generally Accepted Accounting provisions D) none of these
- The rule of stock valuation cost price or realisable value which ever is lower is based on the accounting principle of
A) materiality B) Money Measurement C) conservatism D) accrual
- In India accounting standards are issued by
A) Reserve Bank of India B) the cost and management accountants of India
C) Supreme Court of India D) The Institute of Chartered Accountants of India
- Accounting equation signifies
A) capital of a business is equal to assets B) liabilities of a business is equal to assets
C) capital of a business is equal to liabilities D) Assets of a business always equal to the total of capital and liabilities
- A firm has assets of Rs. 1,00,000 and the external liabilities of Rs. 60,000. Its capital would be
A)Rs. 1,60,000 B)Rs. 60,000 C)Rs. 1,00,000 D)Rs. 40,000
- The incorrect accounting equation
A) assets=liabilities+ capital B) assets = capital + liabilities C) liabilities = assets + capital D) capital = assets - liabilities
- Accounting equation is formed based on the accounting principle of
A) dual aspect B) consistency C) Going Concern D) accrual
- Real account deals with
A) individual person B) expenses and losses. C) assets D) incomes and gains
- Which one of the following is representative personal account?
A) building A/C B) outstanding salary A/C C) Mahesh A/C D) Balan & Co
- Prepaid rent is
A) nominal A/C B) personal A/c C) real A/C D) representative personal A/C
- Withdrawal of cash from business by the proprietor should be credited to
A) drawings A/C B) Cash A/C C) capital A/C D) purchases A/C
- Main objective of preparing ledger account is to
A) ascertain the financial position B) ascertain the profit or loss
C)ascertain the profit or loss and the financial position D) know the balance of each ledger account
- The process of transferring the debit and credit items from journal to ledger account is called
A) casting B) posting C) journalising D) balancing
- J. F. means
A) ledger page number B) journal page number C) voucher number D) order number
- The process of finding the net amount from that totals of debit and credit columns in a ledger is known as
A) casting B) posting C) journalising D) balancing
- If the total of the debit side of an account exceeds the total of its credit side it means
A) credit balance B) Debit balance C) Nil balance D) debit and credit balance

24. The amount brought into the business by the proprietor should be credited to
 A) cash account B) drawings account C) capital account D) suspense account
25. Trial balance is a
 A) statement B) account C) ledger D) journal
26. After the preparation of ledger the next step is the preparation of
 A) trading account B) trial balance C) journal D) profit and the loss account
27. The trial balance contains the balances of
 A) only personal accounts B) only real accounts C) only nominal accounts D) all accounts
28. While preparing the trial balance the accountant finds that the total of the credit column is short by Rs. 200. This difference will be
 A) debited to suspense account B) credited to suspense account
 C) adjusted to any of the Debit balance D) adjusted to any of the credit balance
29. A list which contains balances of accounts to know whether the debit and credit balances are matched is
 A) journal B) day book C) trial balance D) balance sheet
30. Which of the following method(s) can be used for preparing trial balance?
 A) balance method B) total method C) total and balance method D) a, b and c
31. The difference of totals of both debit and credit side of the trial balance is transferred to
 A) trading account B) difference account C) suspense account D) miscellaneous account
32. Trial balance is prepared
 A) at the end of the year B) on your particular date C) for a year D) none of the above
33. Purchases book is used to record
 A) all purchases of goods B) all credit purchases of assets C) all credit purchases of goods D) all purchases of assets
34. A periodic total of the purchases book is posted to the
 A) debit side of the purchases account B) debit side of the sales account
 C) credit side of the purchases account D) credit side of the sales account
35. Sales book is used to record
 A) all sales of goods B) all credit sales of assets C) all credit sales of goods D) all sales of assets and goods
36. The total of the sales book is posted periodically to the credit of
 A) sales account B) cash account C) purchases account D) journal proper
37. Purchase returns book is used to record
 A) returns of goods to the supplier for which cash is not received immediately
 B) returns of assets to the supplier for which cash is not received immediately
 C) returns of assets to the supplier for which cash is received immediately D) none of the above
38. Purchases of fixed assets On credit basis is recorded in
 A) purchases book B) sales book C) purchases returns book D) journal proper
39. The source document or voucher used for recording entries in sales book is
 A) debit note B) credit note C) invoice D) cash receipt
40. Closing entries are recorded in
 A) cash book B) ledger C) journal proper D) purchase book
41. Cash book is a
 A) subsidiary book B) principle book C) journal proper D) both subsidiary book and principle book
42. The cash book records
 A) all cash receipts B) all cash payments C) both a and b D) all credit transactions
43. When a firm maintains a simple cash book, it need not maintain
 A) sales account in the ledger B) purchase account in the ledger C) capital account in the ledger D) cash account in the ledger
44. A cash book with discount cash and Bank column is called
 A) simple cash book B) double column cash book C) three column cash book D) petty cash book
45. In triple column cash book, the balance of bank overdraft brought forward will appear in
 A) cash column debit side B) cash column credit side C) Bank column debit side D) Bank column credit side
46. If the debit and credit aspects of a transaction or recorded in the cash book, it is
 A) contra entry B) compound entry C) single entry D) simple entry
47. The balance in the petty cash book is
 A) an expense B) a profit C) an asset D) a liability
48. Small payments are recorded in a book called
 A) cash book B) purchase book C) bill payable book D) petty cash book
49. A bank reconciliation statement is prepared by
 A) Bank B) business C) debtor to the business D) creditor to the business

50. A bank reconciliation statement is prepared with the help of
 A) bank statement B) cash book C) bank statement and bank column of the cash book D) petty cash book
51. Debit balance in the bank column of the cash book means
 A) credit balance as per bank statement B) debit balance as per bank statement
 C) overdraft as per the cash book D) none of the above
52. A bank statement is a copy of
 A) cash column of the cash book B) bank column of the cash book
 C) a customer's account in the bank's book D) cheques issued by the business
53. When money is withdrawn from Bank, the bank
 A) credits customer's account B) debits customer's account C) debits and credits customer's account D) none of these
54. Balance as per the cash book is RS. 2,000. Bank charge of RS. 50 debited by the bank is not yet shown in the cash book. what is the bank statement balance now?
 A) Rs. 1,950 credit balance B) Rs. 1,950 Debit balance C) Rs. 2,050 debit balance D) Rs. 2,050 credit balance
55. Balance as per bank statement is Rs. 1,000. cheque deposited, but not yet credited by the bank is Rs. 2,000. what is the balance as per Bank column of the cash book?
 A) Rs. 3,000 overdraft B) Rs. 3,000 favourable C) Rs. 1,000 overdraft D) Rs. 1,000 favourable
56. Which one of the following is not a timing difference?
 A) cheque deposited but not yet credited B) cheque issued but not yet presented for payment
 C) amount directly paid into the bank D) wrong debit in the cash book
57. Error of principle arises when
 A) there is complete omission of transaction B) there is partial omission of transaction
 C) distinction is not made between capital and revenue items D) there are wrong postings and wrong casting
58. Errors not affecting the agreement of trial balance are
 A) errors of principle B) errors of overcasting C) errors of undercasting D) errors of partial omission
59. The difference in the trial balance is taken to
 A) the capital account B) the trading account C) the suspense account D) the profit and the loss account
60. A transaction not recorded at all is known as an error of
 A) principle B) complete omission C) partial omission D) duplication
61. Wages paid for installation of machinery wrongly debited to wages account is an error of
 A) partial omission B) principle C) complete omission D) duplication
62. Which of the following errors will not affect the trial balance?
 A) wrong balancing of an account B) posting an amount in the wrong account but on the correct side
 C) wrong totalling of an account D) carried forward wrong amount in a ledger account
63. A credit purchase of furniture from Adhiyaman was debited to purchases account. which of the following accounts should be debited while rectifying this error?
 A) purchases account B) Adhiyaman account C) furniture account D) none of these
64. The total of purchases book was overcast. Which of the following accounts should be debited in the rectifying journal entry?
 A) purchases account B) suspense account C) creditor account D) none of the above
65. Under straight line method the amount of depreciation is **YouTube/ Akwa Academy**
 A) increasing every year B) decreasing every year
 C) constant for all the years D) fluctuating every year
66. If the total charge of the depreciation and maintenance cost are considered the method that provides a uniform charges is
 A) straight line method B) diminishing balance method C) annuity method D) insurance policy method
67. Under the written down value method of depreciation, the amount of depreciation is
 A) uniform in all the years B) decreasing every year C) increasing every year D) none of the above
68. Depreciation is caused by
 A) lapse of time B) usage C) obsolescence D) a, b and c
69. For which of the following assets that depletion method is adopted for writing off cost of the Asset?
 A) plant and machinery B) mines and quarries C) buildings D) trademark
70. A depreciable asset may suffer obsolescence due to
 A) passage of time B) wear and tear C) technological changes D) none of the above
71. Which method shall be efficient, if repairs and maintenance cost of an asset increases as it grows older
 A) straight line method B) reducing balance method C) sinking fund method D) annuity method
72. Residual value of an asset means the amount that it can fetch on sale at the ——— of its useful life
 A) beginning B) end C) middle D) none
73. Amount spent on increasing the seating capacity in a cinema hall is
 A) capital expenditure B) revenue expenditure C) deferred revenue expenditure D) none of the above

74. Expenditure incurred Rs. 20,000 for trial run of a newly installed machinery will be
 A) preliminary expense B) revenue expenditure C) capital expenditure D) deferred revenue expenditure
75. Interest on Bank deposits is
 A) capital receipt B) revenue receipt C) capital expenditures D) revenue expenditure
76. Amount received from IDBI as a medium term loan for augmenting working capital
 A) capital expenditures B) revenue expenditures C) revenue receipts D) capital receipt
77. Revenue expenditure is intended to benefit
 A) past period B) future period C) current period D) any period
78. Pre operative expenses are
 A) revenue expenditure B) prepaid revenue expenditure C) deferred revenue expenditure D) capital expenditure
79. Closing stock is an item of
 A) fixed asset B) current asset C) fictitious asset D) intangible asset
80. Balance sheet is
 A) an account B) a statement C) neither a statement nor an account D) none of the above
81. Net profit of the business increases the
 A) drawings B) receivables C) debts D) capital
82. Carriage inwards will be shown
 A) in the trading account B) in the profit and the loss account C) on the liabilities side D) on the assets side
83. Balance sheet shows the ----- of the business
 A) profitability B) financial position C) sales D) purchases
84. Drawings appearing in the trial balance is
 A) added to the Purchases B) subtracted from the purchases C) added to the capital D) subtracted from the capital
85. Current assets does not include
 A) cash B) stock C) furniture D) prepaid expenses
86. Goodwill is classified as
 A) a current asset B) a liquid asset C) a tangible asset D) a intangible asset
87. A pre payment of insurance premium will appear in
 A) the trading account on the debit side B) the profit and loss account on the credit side
 C) the balance sheet on the assets side D) the balance sheet on the liabilities side
88. Net profit is
 A) debited to capital account B) credited to capital account C) debited to drawings account D) credited to drawings account
89. Closing stock is valued at
 A) cost price B) market price C) cost price or market price whichever is higher D) cost price or net realisable value whichever is lower
90. Accrued interest on investment will be shown
 A) on the credit side of profit and the loss account B) on the assets side of balance sheet
 C) both a and b D) none of these
91. If there is no existing provision for doubtful debts, provision created for doubtful debts is
 A) debited to bad debts account B) debited to sundry debtors account
 C) credited to bad debts account D) debited to profit and lose account
92. In accounting, computer is commonly used in the following areas:
 A) recording of business transactions B) payroll accounting C) stores accounting D) all of the above
93. Customised accounting software is suitable for
 A) small conventional business B) large medium business C) large typical business D) none of the above
94. Which one is not a component of computer system
 A) input unit B) output unit C) data D) central Processing Unit
95. An example of output device is A) Mouse B) printer C) scanner D) keyboard
96. One of the limitations of computerised accounting system is
 A) system failure B) accuracy C) versatility D) storage
97. Which one of the following is not a method of codification of accounts?
 A) access codes B) sequential codes C) block codes D) mnemonic codes
98. TALLY - Is an example of
 A) Tailor made accounting software B) readymade accounting software
 C) inbuilt accounting software D) customised accounting software
99. People who write codes and programs are called as
 A) system analysts B) system designers C) system operators D) system programmers
100. Accounting software is an example of
 A) system software B) application software C) utility software D) operating software